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Subject: Regulation BB - Community Reinvestment Act

Insight- Having been in banking for 20 yrs. You best know that most efforts by banks are to avoid complying to CRA. Why? You must know that loans in low & moderate demographic areas have high default rates. Financial institutions will more likely get paid back in a mid-upper social economic area (using the deposits from the low & moderate areas). Why do banks want out of CRA- As regulators you demand the loan quality of a high risk loan be the same as a low risk loan. So why do the high risk projects. If you let the banks out of the tough areas from having to do business, you will only have the credit unions left and they are weak commercial lenders. Social economic deterioration will continue in these less desirable CRA areas. CRA has forced Financial Institutions to be fair in less desirable areas. Stop forcing them to comply and the have's will have more and the have not's will have nothing.